

# Murree Brewery Co. Ltd. Rawalpindi

Condensed Interim Financial Information for the  
2<sup>nd</sup> Quarter and Six Months period ended 31<sup>st</sup> December, 2022



**ISO 9001, 14001, HACCP &  
OHSAS CERTIFIED COMPANY**



# Murree Brewery Company Limited



CONTENTS	PAGES
Vision & Mission Statement	1
Corporate Information	2-3
Directors' Review	4-5
ڈائریکٹرز کا جائزہ	6-7
Auditors' Review Report	8-9
Statement of Financial Position	10
Statement of Profit or Loss	11
Statement of Comprehensive Income	12
Statement of Changes in Equity	13
Statement of Cash Flows	14
Notes to the Financial Information	15-26

# Murree Brewery Company Limited



## VISION STATEMENT

Our office is in the market

## MISSION STATEMENT

We the people of Murree Brewery Co. Ltd. make our personal commitment to first understand our customers' requirement then to meet and exceed their expectations, by performing the correct tasks on time and every time through:

**C**ontinuous improvement

**A**lignment of our missions and goals

**R**esponsibility and respect of our jobs and each other

**E**ducate one another



# Murree Brewery Company Limited

ESTABLISHED 1860

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Chairman-Non Executive Director  
CEO/Director-Executive Director  
Non-Executive Director  
Non-Executive Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

Ch. Mueen Afzal  
Mr. Isphanyar M. Bhandara  
Mr. Aamir Hussain Shirazi  
Mrs. Goshi M. Bhandara  
Prof. Khalid Aziz Mirza  
Mr. Shahbaz Haider Agha  
Mr. Pervaiz Akhtar  
Ms. Jahanara Sajjad Ahmad

### PRINCIPAL OFFICERS

Company Secretary  
Chief Financial Officer  
Head of Internal Audit  
General Manager (Brewery Division)  
Business Manager (Murree Glass)  
Plant Manager ( // // )  
General Manager (Tops)  
Factory Manager (Murree Sparkletts)

Ch. Waqar A. Kahloon  
Mr. Muhammad Khurshid  
Mr. Zaka Ullah Malik  
Mr. Fakher-e-Mahmood  
Mr. Arshad Zaheer  
Mr. Zaka ud Din  
Mr. Talat Yaqoob Awan  
Mr. Fayyaz Ahmad

### AUDIT & RISK

#### MANAGEMENT COMMITTEE

Mr. Shahbaz Haider Agha (Chairman)  
Ch. Mueen Afzal (Member)  
Prof. Khalid Aziz Mirza (Member)  
Mrs. Goshi M. Bhandara (Member)  
Ms. Jahanara Sajjad Ahmad (Member)

### HUMAN RESOURCE & REMUNERATION AND NOMINATION COMMITTEE

Prof. Khalid Aziz Mirza (Chairman)  
Ch. Mueen Afzal (Member)  
Mr. Aamir Hussain Shirazi (Member)  
Mr. Isphanyar M. Bhandara (Member)  
Mr. Pervaiz Akhtar (Member)

### AUDITORS

M/s KPMG Taseer Hadi & Co.  
Chartered Accountants.  
6<sup>th</sup> Floor, State Life Bldg,  
Jinnah Avenue, Islamabad.

### PRINCIPAL BANKERS

Askari Commercial Bank Ltd, Islamabad  
Standard Chartered Bank, Islamabad  
National Bank of Pakistan, Rawalpindi / Hattar  
Bank Alfalah Ltd, Rawalpindi  
The Bank of Khyber, Hattar  
Allied Bank Ltd, Rwp/Lhr/Gujranw/F.Abad/Multan  
Sahiwal/Murree/Sargodha  
United Bank Limited, Islamabad.

# Murree Brewery Company Limited

ESTABLISHED 1860

## CORPORATE INFORMATION

### REGISTERED OFFICE

Murree Brewery Company Limited  
3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5584420  
E-mail: [murree.brewery@murreebrewery.com](mailto:murree.brewery@murreebrewery.com)  
[murbr@cyber.net.pk](mailto:murbr@cyber.net.pk)  
Website: [www.murreebrewery.com](http://www.murreebrewery.com)

### FACTORIES

- (1) **Murree Brewery Company Limited**  
3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5584420
- (2) **Tops Food & Beverages**
  - (a) 3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5565461
  - (b) Plot No. 14/1, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)  
Tel: 0995-617013, 617493, 617494
- (3) **Murree Sparkletts**
  - (a) Plot No. 10/2, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)
  - (b) 121/3, Industrial Estate, Kot Lakhpat,  
Lahore.
- (4) **Murree Glass**  
Plot No. 24, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)  
Tel: 0995-617233, 0995-617188

### DISTRIBUTION OFFICES

- (i) Tops Food & Beverages  
121/3, Industrial Estate, Kot Lakhpat,  
Lahore. (Tel: 042-5117501)
- (ii) Aziz Chowk Pindi Bypass,  
Galla Sonica Industry, G.T.Road,  
Gujranwala (Tel: 055-3891571)
- (iii) Mansoor Abad  
Near Sant Sing Railway Gate  
Jumra Road, Faisalabad  
Tel: (041-8522182 & 2420580)
- (iv) 164/B, Near Winter Time,  
Small Industries Estate, Sahiwal  
Mobile: 0335-5611125
- (v) Ratti Gali, Ayubia Road, Murree  
Mob: 0335-5111047

- (vi) Plot No. 28-B Small  
Industrial Estate Opp.  
Siddique Kantawala Main  
Lahore Road, Sargodha  
Mob: 0335-5611103

### SHARE REGISTRAR

CDC Share Registrar Services Limited  
CDC House 99-B, Block 'B' SMCHS, Main  
Shahra-e-Faisal Karachi-74400,  
Tel: +(92-21)111-111-500  
Fax: +(92-21)034326053, Email:info@cdcsrsl.com

### LEGAL ADVISORS

- (i) Hamid Law Associates,  
409-410, Alfalah Building,  
Shahrah-e-Quaid-e-Azam  
Lahore. Tel: 042-6301801
- (ii) Mr. Umer Abdullah (Advocate)  
Chaudhary Law Associates  
Advocate High Court  
Flats No. 5 & 6, 1<sup>st</sup> Floor, MICCOP Center,  
1. Mozang Road, Lahore.  
Cell # 0300-8430877, 0345-8412222
- (iii) Mr. Muhammad Ilyas Sheikh  
House No. 37, Street No. 02, Mohalla  
Phase 5, Bahria Town, Islamabad.

### TAX ADVISORS

- (i) Naseem Zafar Associates  
10-Commercial Building,  
Shahrah-e-Quaid-e-Azam, Lahore.  
Tel: 042-37314315-16
- (ii) Sheikh Law Associates  
G 313-316, Imran Mansion,  
Gordon College Road, Rawalpindi,  
Ph: 051-5770500 Website: [www.sla.net.pk](http://www.sla.net.pk)
- (iii) M/s KPMG Taseer Hadi & Co.  
Chartered Accountants.  
6<sup>th</sup> Floor, State Life Bldg,  
Jinnah Avenue, Islamabad.

### CORPORATE ADVISOR

RS Corporate Advisory  
First Floor, Plot No. 62, Central Commercial  
Area (CCA), Block-T, Phase -2, Defence  
Housing Authority, Lahore Cantt-Pakistan.  
Tel: +92 42 357 47 904  
Website: [www.rscorporate.com](http://www.rscorporate.com)

# Murree Brewery Company Limited

## DIRECTORS' REVIEW

The Board of Directors of Murree Brewery Company Limited takes pleasure in presenting its review of the financial performance and affairs of the Company together with the Auditor's reviewed financial statements for the six months period ended 31<sup>st</sup> December, 2022.

An overview of the Company's financial performance for the six months period against the corresponding period of the last year is as follows:-

### FINANCIAL OVERVIEW & HIGHLIGHTS

Rs. in million					
Sales revenue (Net)	increased by	23%	from	6,682	to 8,235
Gross Profit	decreased by	14%	from	1,808	to 1,549
Profit before Taxation	decreased by	31%	from	1,114	to 766
Profit after Taxation	decreased by	32%	from	799	to 540
Earnings per share	decreased by	32%	from	Rs. 28.92	to Rs. 19.53

The profitability of the Company has decreased overall during the half year ended 31<sup>st</sup> December, 2022 as compared to the corresponding period of the last year, due primarily to increasing cost of raw materials and energy.

### IMPORTANT ISSUES:

#### **i. Tax on water consumption for commercial use:**

The Supreme Court of Pakistan announced taxation of the beverage industry @ Re. 1 per liter, which was later on reduced by Re. 0.25 per liter as per provincial legislation relating to the Punjab and KPK. A review petition filed by the beverage industry continues to be subjudice before the honorable Supreme Court of Pakistan. Tops & Murree Sparkletts (Hatter) in line with the industry practice, have so far paid Rs. 3.5 million @ Re. 0.25 per liter to the KPK Government.

#### **ii. Super Tax Budget in 2021-22:**

The Company filed writ petition against the Super Tax amounting to Rs. 227.4 million. Interim stay has been granted by Islamabad High Court in term of depositing of post dated cheque of the above mentioned amount.

### **CONTRIBUTION TO NATIONAL EXCHEQUER:**

Your Company contributed a sum of Rs. 2,582 million in the six months period ended 31<sup>st</sup> December, 2022 (31<sup>st</sup> December, 2021: Rs. 2,100 million) to the Government exchequer on account of duty and taxes.

# Murree Brewery Company Limited

## **CORPORATE SOCIAL RESPONSIBILITY:**

The Company fully meets its obligation as a social corporate citizen. The Company always takes constructive interest in social matters which may not be directly related to the business, and makes donations to charitable institutions, hospitals and trusts. During the half year 2022-23, the Company has donated Rs. 0.8 million to various welfare & charitable organizations.

The Company continues to make available the use of its property to Association for Special Persons (DARAKHSHAN). Presently 75 disabled women are getting training in this vocational school for helping destitute handicapped women to be self-reliant, computer literate and contributing members of society. This property has been provided free of charge by the Company with furniture and fittings and the Company bears the cost of utilities and maintenance.

The Company continues to operate and support a Social Security Dispensary on its premises. This caters the needs of workers and their families.

## **OUTLOOK:**

The coming months of the current financial year present unprecedented challenges and uncertainties with continuing political instability, exchange rate volatility, high inflation and obstacles to the opening of L/Cs. In view of the unpredictable economic environment, the Company's management remains alert in their endeavor to continue to bring the best possible value to their shareholders.

## **APPRECIATION:**

The Board would like to record its appreciation of the management team together with the other employees for their work and loyalty to the Company. The Board also extends its gratitude to all business stakeholders, Government Authorities and shareholders for their support in achieving the Company's objectives.

## **ON BEHALF OF THE BOARD**



**Isphanyar M. Bhandara**  
Chief Executive Officer



**Shahbaz Haider Agha**  
Director

Rawalpindi  
24<sup>th</sup> February, 2023

## ادارہ جاتی سماجی ذمے داری (سی ایس آر)

مری پروری کمپنی ایک ذمے دار سماجی شہری کے طور پر اپنے تمام فرائض کی تکمیل کرتی ہے۔ کمپنی ہمیشہ سماجی فلاح و بہبود اور تعمیر میں اپنا کردار نبھاتی ہے اور ان خدمات کا کاروبار سے براہ راست تعلق نہیں ہوتا کمپنی مختلف رفاہی اداروں، ہسپتالوں اور سڑکوں کو عطیات فراہم کرتی ہے۔ مالی سال کی پہلی ششماہی 2022-23 کے دوران کمپنی نے مختلف فلاحی اور خیراتی اداروں کو 0.80 ملین روپے کے عطیات دئے ہیں۔

مزید برآں کمپنی نے ایسوسی ایشن فار ایڈیٹیشنل پرسنز (درخشاں) کیلئے اپنی املاک کے استعمال کی دستیابی کو جاری رکھا۔ فی الوقت اس ویکٹشل اسکول برائے اعانت محروم معذور خواتین میں 75 خواتین تربیت حاصل کر رہی ہیں تاکہ وہ خود انحصاری، کمپیوٹر خواندہ اور معاشرے کے فعال فرد کے طور پر زندگی گزاریں۔ یہ پراپرٹی کمپنی کی جانب سے فرنچیز اور فٹنگز کے ساتھ مفت فراہم کی جارہی ہے اور کمپنی اس کی دیکھ بھال اور پیمائش کے سارے اخراجات خود برداشت کرتی ہے۔

کمپنی نے اپنی جگہ پر ایک سوشل سیورٹی ڈیسپنسری کو چلانے اور اس کی مدد جاری رکھنے کا سلسلہ بھی شروع کر رکھا ہے۔ یہ ملازمین اور ان کے اہل خانہ کیلئے خدمات فراہم کر رہی ہے۔


## توقعات

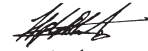
غیر متوقع معاشی ماحول کے پیش نظر رواں مالی سال کے آنے والے مہینوں میں مسلسل سیاسی عدم استحکام، شرح تبادلہ میں اتار چڑھاؤ، افراط زر میں اضافے اور ایل سی (L/Cs) کے کھلنے میں حائل رکاوٹوں کے باعث غیر یقینی صورتحال کا سامنا ہے۔ ان تمام معاشی چیلنجز کے باوجود کمپنی کی انتظامیہ اسے شینر ہولڈرز کو بہترین مکمل معیار کی مصنوعات فراہم کرنے کے لئے پرعزم ہے۔

## خدمات کا اعتراف

بورڈ اپنے تمام ملازمین، تمام کاروباری اسٹیک ہولڈرز کے عزم، تعاون اور شراکت کو سراہتا ہے اور ان کا شکریہ ادا ہے۔ بورڈ کمپنی کے مقاصد کے حصول کیلئے سرکاری حکام اور شینر ہولڈرز کے غیر متزلزل تعاون پر ان کا بھی شکریہ ادا کرتا ہے۔

بورڈ کی جانب سے

  
شبہاز حیدر آغا  
ڈائریکٹر

  
اسغیا رانیم بھٹارا  
چیف ایگزیکٹو آفیسر

راولپنڈی

24 فروری 2023ء

# مری برووری کمپنی لمیٹڈ

## ڈائریکٹرز کا جائزہ

مری برووری کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2022ء کو اختتام پذیر ہونے والی ششماہی کے لئے آڈیٹر کا جائزہ شدہ مالی شیڈول کے ساتھ ساتھ کمپنی کی مالیاتی کارکردگی اور امور کا جائزہ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

گزشتہ سال کے تقابلی عرصے کے مقابلے میں اس ششماہی کیلئے کمپنی کی مالی کارکردگی کا جائزہ حسب ذیل ہے:

مالیاتی جائزہ اور اہم نکات:

محصولات فروخت (خالص)	اضافہ %	روپے ملین میں
مجموعی منافع جات	23%	8,235 سے 6,682
منافع قبل از ٹیکس	14%	1,549 سے 1,808
منافع بعد از ٹیکس	31%	766 سے 1,114
آمدن فی حصص	32%	540 سے 799
	32%	28.92 روپے سے 19.53 روپے

31 دسمبر 2022ء کو ختم ہونے والی ششماہی کے دوران کمپنی کے منافع میں پچھلے سال کے تقابلی عرصے کے مقابلے میں مجموعی طور پر کمی واقع ہوئی ہے جس کی بنیادی وجہ خام مال اور توانائی کی بڑھتی ہوئی لاگت ہے۔

اہم مسائل:

i- تجارتی استعمال کیلئے پانی کے استعمال پر ٹیکس

عدالت عظمیٰ پاکستان نے یورینج انڈسٹری پر ایک روپے فی لیٹر کے ٹیکس کا اعلان کیا تھا، جسے بعد میں پنجاب اور خیبر پختونخواہ سے متعلق صوبائی قانون سازی کے مطابق 0.25 روپے فی لیٹر تک کم کر دیا گیا تھا۔ یورینج انڈسٹری کی جانب سے نظر ثانی کی درخواست جمع کروائی گئی تھی جو کہ عدالت عظمیٰ پاکستان کے سامنے اب تک زیر التواء ہے۔ ٹوبیس اینڈ مری اسپارٹس (حطار) نے انڈسٹری کے طریقہ عمل پر خیبر پختونخواہ حکومت کو 0.25 روپے فی لیٹر کی شرح سے 35 لاکھ روپے ادا کیے ہیں۔

ii- سپر ٹیکس بجٹ برائے 2021-22

کمپنی نے 227.4 ملین روپے کے سپر ٹیکس کے خلاف رٹ پٹیشن دائر کی۔ اسلام آباد ہائی کورٹ نے مذکورہ رقم کا پوسٹ ڈیٹ چیک جمع کرانے کی مد میں عبوری حکم امتناع جاری کر دیا ہے۔

قوی خزانے میں حصہ

آپ کی کمپنی نے ڈیوٹی اور ٹیکسوں کی مد میں سرکاری خزانے کیلئے 31 دسمبر 2022ء کو ختم شدہ ششماہی میں 2,582 ملین روپے (31 دسمبر 2021ء: 2,100 ملین روپے) کی رقم جمع کروائی ہے۔

# Murree Brewery Company Limited

## INDEPENDENT AUDITORS' REVIEW REPORT

**To the members of Murree Brewery Company Limited**

**Report on review of Interim Financial Statements**

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Murree Brewery Company Limited as at 31 December 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-months period then ended (hereinafter referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditors of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

# Murree Brewery Company Limited

## **Other Matter**

The figures for the three-months period ended 31 December 2022 and 31 December 2021, in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditors' review report is Muhammad Danish.



Islamabad  
27 February 2023

UDIN: RR202210245YWRMJuFQtI



# Murree Brewery Company Limited

## Condensed Interim Statement of Financial Position

As at 31 December 2022

	Note	Un-Audited 31-Dec-22 (Rs.'000)	Audited 30-Jun-22 (Rs.'000)
<b>EQUITY</b>			
<b>Share capital and reserves</b>			
Share capital		276,636	276,636
Capital reserve	4	30,681	30,681
Revenue reserves		7,940,135	7,784,145
Revaluation surplus on property, plant and equipment and ROU asset- net of tax		4,060,637	4,091,322
<b>Total equity</b>		<b>12,308,089</b>	<b>12,182,784</b>
<b>LIABILITIES</b>			
<b>Lease liabilities</b>		<b>11,066</b>	<b>7,936</b>
Employee benefits		285,945	296,669
Deferred tax liability- net		573,805	547,977
<b>Non-current liabilities</b>		<b>870,816</b>	<b>852,582</b>
Current portion of lease liabilities		10,167	8,298
Current portion of long term loan	5	42,283	124,748
Trade and other payables		1,050,148	1,379,011
Contract liabilities		113,791	295,986
Current portion - deferred grant income	5.1	253	2,859
Provision for income tax - net		114,808	125,027
Unpaid dividend		105,770	96,840
Unclaimed dividend		32,718	31,818
<b>Current liabilities</b>		<b>1,469,938</b>	<b>2,064,587</b>
<b>Total liabilities</b>		<b>2,340,754</b>	<b>2,917,168</b>
<b>Total equity and liabilities</b>		<b>14,648,843</b>	<b>15,099,953</b>
<b>Contingencies and commitments</b>	6		

The annexed notes 1 to 18 form an integral part of these interim financial statements.

  
CHIEF FINANCIAL OFFICER

  
CHIEF EXECUTIVE OFFICER

	Note	Un-Audited 31-Dec-22 (Rs.'000)	Audited 30-Jun-22 (Rs.'000)
<b>ASSETS</b>			
Property, plant and equipment	7	6,876,210	6,663,324
Right of use assets	8	24,052	17,692
Intangible assets		4	263
Advances for capital expenditures		69,379	48,398
Investment properties		511,127	511,127
Long term advances		11,979	12,480
Long term investments		509,943	511,459
Long term deposits		44,938	39,482
Employee benefits		40,205	40,205
<b>Non-current assets</b>		<b>8,087,837</b>	<b>7,844,430</b>
Inventories		3,777,358	2,438,351
Trade debts		14,468	15,019
Advances, prepayments and other receivables		1,034,244	316,484
Short term investments		811,813	1,976,441
Cash and bank balances	9	923,123	2,509,228
<b>Current assets</b>		<b>6,561,006</b>	<b>7,255,523</b>
<b>Total assets</b>		<b>14,648,843</b>	<b>15,099,953</b>

  
DIRECTOR

# Murree Brewery Company Limited

## Condensed Interim Statement of Profit or Loss (Unaudited)

For the Six months ended 31 December 2022

	Note	Quarter ended 31 December		Six months ended 31 December	
		2022 (Rs.'000)	2021 (Rs.'000)	2022 (Rs.'000)	2021 (Rs.'000)
<b>NET TURNOVER</b>	<b>10</b>	<b>5,040,789</b>	<b>2,969,279</b>	<b>8,234,976</b>	<b>6,681,596</b>
<b>COST OF SALES</b>	<b>11</b>	<b>(4,286,261)</b>	<b>(2,105,878)</b>	<b>(6,685,708)</b>	<b>(4,873,003)</b>
<b>GROSS PROFIT</b>		<b>754,528</b>	<b>863,401</b>	<b>1,549,268</b>	<b>1,808,593</b>
Selling and distribution expenses		(317,764)	(245,567)	(679,793)	(524,892)
Administrative expenses		(159,823)	(137,468)	(306,679)	(249,020)
Other expenses		(17,011)	(42,706)	(46,079)	(83,552)
Other income		14,898	9,661	29,319	21,051
<b>OPERATING PROFIT</b>		<b>274,828</b>	<b>447,321</b>	<b>546,036</b>	<b>972,180</b>
Finance costs		(3,575)	(4,754)	(4,758)	(11,496)
Finance income		123,459	74,273	224,236	153,759
<b>NET FINANCE INCOME</b>		<b>119,884</b>	<b>69,519</b>	<b>219,478</b>	<b>142,263</b>
<b>PROFIT BEFORE TAX</b>		<b>394,712</b>	<b>516,840</b>	<b>765,514</b>	<b>1,114,443</b>
Income tax expense		(112,719)	(153,924)	(225,255)	(314,473)
<b>PROFIT FOR THE PERIOD</b>		<b>281,993</b>	<b>362,917</b>	<b>540,259</b>	<b>799,970</b>
<b>Earnings per share - basic and diluted (Rupees)</b>	<b>12</b>	<b>10.19</b>	<b>13.12</b>	<b>19.53</b>	<b>28.92</b>

The annexed notes 1 to 18 form an integral part of these interim financial statements.

  
CHIEF FINANCIAL OFFICER

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

# Murree Brewery Company Limited

*Condensed Interim Statement of Comprehensive Income (Unaudited)*  
*For the Six months ended 31 December 2022*

	Quarter ended 31 December		Six months ended 31 December	
	2022 (Rs.'000)	2021 (Rs.'000)	2022 (Rs.'000)	2021 (Rs.'000)
Profit for the period	281,993	362,917	540,259	799,970
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	281,993	362,917	540,259	799,970

The annexed notes 1 to 18 form an integral part of these interim financial statements.

  
 CHIEF FINANCIAL OFFICER

  
 CHIEF EXECUTIVE OFFICER

  
 DIRECTOR

# Murree Brewery Company Limited

## Condensed Interim Statement of Changes In Equity (Unaudited)

### For the Six months ended 31 December 2022

	Capital reserves			Revenue reserves			Total equity
	Share capital	Capital reserve	Revaluation surplus on property, plant and equipment - net of tax	General reserve	Contingency reserve	Unappropriated profits	
	(Rs. '000)						
Balance at 30 June 2021 (Audited)	276,636	30,681	3,773,307	327,042	20,000	7,078,570	11,506,236
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	-	-	799,970	799,970
Other comprehensive income for the period	-	-	-	-	-	-	-
Revaluation surplus on property, plant and equipment	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	799,970	799,970
Revaluation surplus on property, plant and equipment realized through depreciation for the year - net of deferred tax	-	-	(34,145)	-	-	34,145	-
Transferred from revaluation surplus on property, plant and equipment on disposal - net of deferred tax	-	-	-	-	-	-	-
	-	-	(34,145)	-	-	34,145	-
Transactions with the owners of the Company							
Distribution to owners	-	-	-	-	-	(276,636)	(276,636)
First Interim dividend for the year ended 30 June 2021 (@100 % i.e. Rs. 10/- per share)	-	-	-	-	-	(138,318)	(138,318)
First Interim dividend for the year ended 30 June 2022 (@50% i.e. Rs. 5/- per share)	-	-	-	-	-	(414,954)	(414,954)
Total distribution to owners	-	-	-	-	-	(414,954)	(414,954)
Balance as at 31 December 2021 (Unaudited)	276,636	30,681	3,739,162	327,042	20,000	7,497,731	11,891,252
<b>Balance at 30 June 2022 (Audited)</b>	276,636	30,681	4,091,322	327,042	20,000	7,437,103	12,182,784
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	-	-	540,259	540,259
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	-	-	540,259	540,259
Revaluation surplus on property, plant and equipment realized through depreciation for the year - net of deferred tax	-	-	(30,685)	-	-	30,685	-
	-	-	(30,685)	-	-	30,685	-
Transactions with the owners of the Company							
Distribution to owners	-	-	-	-	-	(276,636)	(276,636)
First Interim dividend for the year ending 30 June 2022 (@100 % i.e. Rs. 10/- per share)	-	-	-	-	-	(138,318)	(138,318)
First Interim dividend for the year ending 30 June 2023 (@50% i.e. Rs. 5/- per share)	-	-	-	-	-	(414,954)	(414,954)
Total distribution to owners	-	-	-	-	-	(414,954)	(414,954)
<b>Balance as at 31 December 2022 (Unaudited)</b>	276,636	30,681	4,060,637	327,042	20,000	7,593,093	12,308,089

The annexed notes 1 to 18 form an integral part of these interim financial statements.

  
CHIEF FINANCIAL OFFICER

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

# Murree Brewery Company Limited

## Condensed Interim Statement of Cash Flow (Unaudited)

### For the Six months ended 31 December 2022

		Six months ended	
		31-Dec-22	31-Dec-21
		(Rs.'000)	(Rs.'000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Note</b>		
Profit before tax		765,514	1,114,443
<b>Adjustments for:</b>			
Depreciation / amortization	7	189,712	184,590
Amortization of right of use asset	8	4,193	4,102
Employee benefits - charged to profit or loss		115,005	24,017
Provision for Workers' Profit Participation Fund (WPPF)		28,140	58,024
Provision for Workers' Welfare Fund (WWF)		11,256	23,210
Provision for water tax		113,691	-
Gain on disposal of property, plant and equipment		(600)	(2,619)
Finance cost		4,757	11,495
Return on deposit accounts		(91,290)	(60,002)
Interest on PIBs		(21,968)	(22,014)
Interest on advances		(131)	(84)
Dividend income		(106,354)	(55,898)
Unrealized gain on re-measurement of short term investments		(1,885)	(7,458)
Deferred grant income	5.1	(2,606)	(8,302)
		<u>241,920</u>	<u>149,060</u>
		1,007,434	1,263,504
<i>Change in:</i>			
Inventories		(1,339,007)	(813,100)
Trade debts		551	14,379
Advances, prepayments and other receivables		(717,760)	(513,746)
Trade and other payables		(271,133)	(131,458)
Contract liabilities		(182,195)	(113,088)
		<u>(2,509,544)</u>	<u>(1,557,013)</u>
<b>Cash generated used in operating activities</b>		<b>(1,502,110)</b>	<b>(293,509)</b>
Finance cost paid		(4,757)	(3,164)
Employee benefits paid		(110,825)	(38,544)
WPPF paid		(85,904)	(68,644)
Taxes paid		(334,691)	(184,394)
<b>Net cash used in operating activities</b>		<b>(2,038,287)</b>	<b>(588,255)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	7	(401,164)	(20,618)
Acquisition of right of use asset	8	(11,987)	-
Proceeds from sale of property, plant and equipment		600	5,987
Advances for capital expenditures		(20,981)	(16,423)
Long term advances paid		501	(838)
Long term deposits paid		(5,456)	(1,647)
Proceeds from sale of short term investments		1,164,628	355,201
Interest received		104,883	78,660
Dividends received		106,354	55,898
<b>Net cash generated from investing activities</b>		<b>937,378</b>	<b>456,219</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Addition / (repayment) of lease liabilities		4,999	(3,361)
Repayment of loan		(85,071)	(85,100)
Dividend paid		(405,124)	(406,491)
<b>Net cash used in financing activities</b>		<b>(485,196)</b>	<b>(494,952)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1,586,105)</b>	<b>(626,988)</b>
<b>Cash and cash equivalents at 1 July</b>		<b>2,509,228</b>	<b>2,197,788</b>
<b>Cash and cash equivalents at 31 December</b>	9	<b>923,123</b>	<b>1,570,800</b>

The annexed notes 1 to 18 form an integral part of these interim financial statements.

  
CHIEF FINANCIAL OFFICER

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

# Murree Brewery Company Limited

## *Notes to the condensed interim financial information (Unaudited)*

### *For the Six months ended 31 December 2022*

#### **1 REPORTING ENTITY**

Murree Brewery Company Limited ("the Company") was incorporated under the repealed Indian Companies Act (now the Companies Act, 2017) in February 1861 as a public limited company in Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at National Park Road in Rawalpindi, Pakistan.

The Company is principally engaged in the manufacturing of alcoholic beer, Pakistan Made Foreign Liquor (PMFL), non-alcoholic beer, aerated water (non-alcoholic products), juices and food products, mineral water, glass bottles and jars. The Company is presently operating three divisions namely Liquor, Tops and Glass to carry out its principal activities.

#### **2 BASIS OF PREPARATION**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures in these condensed interim financial statements do not include the information that was reported in annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements for the year ended 30 June 2022. Comparative condensed interim unconsolidated statement of financial position is extracted from the annual audited financial statements for the year ended 30 June 2022, whereas comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from unaudited condensed interim financial statements for the six months period 31 December 2021.

This condensed interim financial information is un-audited and is being submitted to the members as required under Section 237 of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

#### **3 ACCOUNTING POLICIES AND ESTIMATES**

##### **3.1 Accounting policies and methods of computation**

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2022.

##### **3.2 Accounting estimates and judgements**

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

# Murree Brewery Company Limited

*Notes to the condensed interim financial information (Unaudited)*  
*For the Six months ended 31 December 2022*

## Measurement of fair values

The Company has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 2 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

		<b>Unaudited</b> <b>31-Dec-22</b> <b>(Rs.'000)</b>	Audited 30-Jun-22 (Rs.'000)
<b>4</b>	<b>SHARE CAPITAL</b>	<b>300,000</b>	<b>300,000</b>
<b>4.1</b>	<b>Authorised share capital</b>	<b>300,000</b>	<b>300,000</b>
<b>4.1.1</b>	<b>This represents 30,000,000 (30 June 2022: 30,000,000) ordinary shares of Rs. 10 each.</b>		

# Murree Brewery Company Limited

*Notes to the condensed interim financial information (Unaudited)*  
*For the Six months ended 31 December 2022*

## 4.2 Issued, subscribed and paid up share capital

Unaudited 31-Dec-22 Number	Audited 30-Jun-22 Number		Unaudited 31-Dec-22 (Rs.'000)	Audited 30-Jun-22 (Rs.'000)
264,000	264,000	(Ordinary shares of Rs. 10 each)	2,640	2,640
27,399,630	27,399,630	(Ordinary shares of Rs. 10 each, issued as bonus shares)	273,996	273,996
<u>27,663,630</u>	<u>27,663,630</u>		<u>276,636</u>	<u>276,636</u>

## 5 LONG TERM LOAN

### Note

Opening balance		124,748	281,166
Effective interest		2,606	15,517
Repayment during the period		(85,071)	(171,935)
Closing balance	5.2	<u>42,283</u>	<u>124,748</u>
Non-current portion		-	-
Current portion		<u>42,283</u>	<u>124,748</u>

## 5.1 Recognition of deferred government grant

Opening balance		2,859	16,583
Deferred grant income recognised for the period		(2,606)	(13,724)
Closing balance	5.2	<u>253</u>	<u>2,859</u>
Non-current portion		-	-
Current portion		<u>253</u>	<u>2,859</u>

- 5.2** In an attempt to mitigate the effect of the COVID 19 pandemic, the State Bank of Pakistan ("SBP") introduced "Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns" whereby financing at low markup rates was made available to the entities on the condition of not laying off the workers/employees and payment of salaries and wages of permanent, contractual, daily wagers and outsourced employees from April 2020 to June 2020. The Company obtained long term loan under this scheme from United Bank Limited which is secured by first charge over fixed assets of the Company excluding land and building amounting to Rs 534 million. The loan is repayable in 8 equal quarterly installments due from 1 April 2021. Interest chargeable under the refinance scheme is 0.75% per annum. Accordingly, an amount of Rs 34.05 million has been recognised as deferred grant income which represents the difference between the actual loan received and present value of repayments of principal and interest at incremental borrowing rate of the Company i.e. 6 months' KIBOR + 1% per annum. Deferred grant is being amortized over the life of the loan. There were no unfulfilled conditions related to this grant at the reporting date.

## 6 CONTINGENCIES AND COMMITMENTS

There are no changes in the contingencies and commitments of the Company as disclosed in the financial statements for the year ended 30 June 2022 except for:-



# Murree Brewery Company Limited

## *Notes to the condensed interim financial information (Unaudited)*

### *For the Six months ended 31 December 2022*

#### 6.1 Commitments

- 6.1.1** The Company's outstanding Letter of Credit for the import of machinery and inventory items amounted to Rs. 456.25 million (30 June 2022: Rs. 1,146.16 million).
- 6.1.2** Bank guarantees have been given in the normal course of business to Sui Northern Gas Company Limited for commercial and industrial use of gas amounting to Rs. 131.77 million (30 June 2022: Rs. 110.2 million) and bank guarantee issued to Oil and Gas Development Company Limited ('OGDCL') amounting to Rs. 2.7 million (30 June 2022: Rs. 2.7 million) against supply of Murree sparklettes water to OGDCL.

#### 7 PROPERTY, PLANT AND EQUIPMENT

Unaudited 31 December 2022 (Rs. '000)		
Operating fixed assets	Capital work in progress	Total
Carrying amount as at 1 July 2022	6,581,182	82,142
Additions during the period	70,984	330,180
Transferred from leased assets	1,434	-
Depreciation charge for the period	(189,712)	-
Carrying amount as at 31 December 2022	6,463,888	412,322
Audited 30 June 2022 (Rs '000)		
Carrying amount at the beginning of the year	6,355,066	-
Additions during the year	139,079	82,142
Revaluation surplus	462,073	-
Disposal during the year-net	(5,589)	-
Depreciation charge for the year	(369,447)	-
Carrying amount at the end of the year	6,581,182	82,142

- 7.1** Additions in and depreciation on property plant and equipment during the half year ended 31 December 2021 amounted to Rs. 20.62 million and Rs. 184.33 million respectively.

#### 8 RIGHT OF USE ASSETS

Note	(Unaudited) 31-Dec-22 (Rs '000)	(Audited) 30 June 2022 (Rs. 000)
Opening balance	17,692	63,193
Additions during the period / year	11,987	-
Transfer to property, plant and equipment - owned	(1,434)	(1,879)
Disposals	-	(1,886)
Amortization charge for the period / year	(4,193)	(41,736)
Closing balance	24,052	17,692

- 8.1** Additions in amortization and disposal in right of use assets during the half year ended 31 December 2021 amounted to Rs. 4.1 million and Rs. Nil respectively.

#### 9 CASH AND BANK BALANCES

		(Unaudited) 31-Dec-22 (Rs '000)	(Audited) 30 June 2022 (Rs. 000)
Cash in hand		13,336	8,820
Banking instrument in hand		-	100,000
Cash at banks :			
- in local currency current accounts		443,173	995,682
- in local currency deposit accounts	9.1	466,578	1,401,746
-in foreign currency deposit accounts	9.2	36	2,980
		909,787	2,400,408
		923,123	2,509,228

- 9.1** Profit on local currency deposit account ranges from 14.25% to 15% (30 June 2022: 6.65% to 13.00%) per annum respectively.

- 9.2** This carries interest rate of 1.00% (30 June 2022: 1.00%) per annum.

- 9.3** There is no change in financing facilities from those as disclosed in the financial statements for the year ended 30 June 2022.

# Murree Brewery Company Limited

*Notes to the condensed interim financial information (Unaudited)*  
*For the Six months ended 31 December 2022*

10	NET TURNOVER	Note	Six months ended	
			(Unaudited)	(Unaudited)
			31-Dec-22	31-Dec-21
			(Rs '000)	(Rs '000)
	Turnover - gross		10,884,396	8,848,345
	Less: trade discounts		(401,957)	(250,828)
	Turnover - net		10,482,439	8,597,517
	Less: Sales tax and excise duty		(2,247,463)	(1,915,921)
	<b>NET TURNOVER</b>	<b>10.1</b>	<b>8,234,976</b>	<b>6,681,596</b>

**10.1** Net turnover for the six months period ended 31 December 2022 includes exports amounting to Rs. 20.53 million (31 December 2021: Rs. 8.93 million).

11	COST OF SALES	Note	Six months ended	
			(Unaudited)	(Unaudited)
			31-Dec-22	31-Dec-21
			(Rs '000)	(Rs '000)
	Raw material consumed	11.1	7,506,970	4,918,626
	Stores and spares consumed		139,748	117,979
	Fuel and power consumed		633,279	410,009
	Salaries and wages		397,634	339,810
	Repair and maintenance		93,186	60,219
	Depreciation		177,860	177,962
	Cost to fulfill a contract - transportation		185,954	167,250
	Other manufacturing overheads		132,345	65,838
			<b>9,266,976</b>	<b>6,257,693</b>
	<b>Work in process:</b>			
	Work in process - opening		363,121	298,856
	Work in process - closing		(514,196)	(355,044)
			<b>(151,075)</b>	<b>(56,188)</b>
	<b>Cost of goods manufactured</b>		<b>9,115,901</b>	<b>6,201,505</b>
	<b>Finished goods:</b>			
	Finished goods - opening		208,516	214,131
	Finished goods - closing		(551,432)	(411,713)
			<b>(342,916)</b>	<b>(197,582)</b>
	Less: Inter division transfers		<b>(2,087,277)</b>	<b>(1,130,920)</b>
			<b>6,685,708</b>	<b>4,873,003</b>
<b>11.1</b>	<b>Raw material consumed</b>			
	Opening stock		1,607,560	1,217,177
	Purchases		8,357,484	5,492,347
			<b>9,965,044</b>	<b>6,709,524</b>
	Less : Closing stock		<b>(2,458,074)</b>	<b>(1,790,898)</b>
			<b>7,506,970</b>	<b>4,918,626</b>

12	EARNING PER SHARE - BASIC AND DILUTED	Quarter ended		Six months ended	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		2022	2021	2022	2021
	Net profit for the period - Rupees in ('000)	281,993	362,917	540,259	799,970
	Weighted average number of shares - Number	27,663,630	27,663,630	27,663,630	27,663,630
	Earning per share - Rupees	10.19	13.12	19.53	28.92

**12.1** There is no dilutive effect on the basic earnings per share of the Company as at 31 December 2022.

# Murree Brewery Company Limited

## *Notes to the condensed interim financial information (Unaudited)*

### *For the Six months ended 31 December 2022*

#### 13 SEGMENT INFORMATION

##### 13.1 Information about reportable segments

The detail of utilization of the Company's assets by the divisions as well as related liabilities is as follows:

	Liquor division (Rs. '000)	Glass division (Rs. '000)	Tops division (Rs. '000)	Corporate Office (Rs. '000)	Total (Rs. '000)
<b>a. For the six months ended (unaudited)</b>					
31 December 2022					
Third party turnover - net	7,758,793	98,386	2,625,260	-	10,482,439
Inter-segment turnover	357,811	1,018,603	-	-	1,376,414
Segment profit / (loss) before tax	444,759	374,485	(153,348)	99,618	765,514
31 December 2021					
Third party turnover - net	6,339,089	118,849	2,139,579	-	8,597,517
Inter-segment turnover	330,254	788,050	12,616	-	1,130,920
Segment profit / (loss) before tax	911,788	246,433	(57,423)	13,645	1,114,443
<b>b. Assets</b>					
31 December 2022 (unaudited)	10,243,614	1,224,727	2,753,542	426,960	14,648,843
30 June 2022 (audited)	11,144,474	1,092,855	2,754,601	108,023	15,099,953
<b>c. Liabilities</b>					
31 December 2022 (unaudited)	1,143,194	129,289	412,408	680,375	2,365,266
30 June 2022 (audited)	1,140,197	237,004	521,327	1,018,641	2,917,169
<b>d. Additions to</b>					
<b>Property, plant and equipment</b>					
Six months ended 31 December 2022 (unaudited)	37,715	26,596	8,107	-	72,418
Year ended 30 June 2022 (audited)	92,553	4,566	41,960	-	139,079
<b>Right of use asset</b>					
Six months ended 31 December 2022 (unaudited)	7,580	-	4,407	-	11,987
Year ended 30 June 2022 (audited)	-	-	-	-	-
<b>e. Other income</b>					
Six months ended 31 December 2022 (unaudited)	21,108	4,754	3,457	-	29,319
Six months ended 31 December 2021 (unaudited)	14,823	3,191	3,037	-	21,051
<b>f. Net finance income</b>					
Six months ended 31 December 2022 (unaudited)	61,973	2,931	8,877	145,697	219,478
Six months ended 31 December 2021 (unaudited)	39,782	662	4,622	97,197	142,263
<b>g. Depreciation</b>					
Six months ended 31 December 2022 (unaudited)	79,010	58,875	55,760	-	193,645
Six months ended 31 December 2021 (unaudited)	75,454	58,540	54,439	-	188,433

##### 13.2 Reconciliation of reportable segment profit or loss

	Six months ended 31 December 2022 (Unaudited) (Rs. '000)	2021 (Unaudited) (Rs. '000)
Total profit before tax for reportable segments	665,896	1,100,798
Unallocated amount - other expenses	(46,079)	(83,552)
Unallocated amounts - finance income	145,697	97,197
Net profit before tax	765,514	1,114,443

# Murree Brewery Company Limited

Notes to the condensed interim financial information (Unaudited)

For the Six months ended 31 December 2022

13.3	Divisional profit or loss	Liquor Division				Glass Division				Tops Division				Total			
		Quarter ended 31 December		Six months ended 31 December		Quarter ended 31 December		Six months ended 31 December		Quarter ended 31 December		Six months ended 31 December		Quarter ended 31 December		Six months ended 31 December	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
<b>TURNOVER</b>																	
Third party turnover - gross		3,658,928	2,938,832	7,809,254	6,387,888	90,016	79,727	98,386	118,849	1,184,528	860,762	2,976,756	2,341,608	4,933,472	3,879,321	10,884,396	8,848,345
Less: trade discounts		(16,912)	(15,497)	(50,461)	(48,799)	-	-	-	-	(179,994)	(85,281)	(351,496)	(202,029)	(196,911)	(100,778)	(401,957)	(250,828)
Third party turnover - net		3,642,011	2,923,335	7,758,793	6,339,089	90,016	79,727	98,386	118,849	1,004,534	775,481	2,625,260	2,139,579	4,736,561	3,778,543	10,482,439	8,597,517
Inter division sales		106,702	94,727	357,811	330,254	479,335	373,926	1,018,603	788,050	-	6,216	-	12,616	586,037	-	-	-
Sales tax and excise duty		3,748,713	3,018,062	8,116,604	6,669,343	560,351	453,653	1,116,989	906,899	1,004,534	781,697	2,625,260	2,152,195	5,322,598	3,778,543	10,482,439	8,597,517
<b>NET TURNOVER</b>		(760,929)	(629,897)	(1,678,235)	(1,434,676)	(13,079)	(11,583)	(14,295)	(17,269)	(218,664)	(167,782)	(554,933)	(463,976)	(992,672)	(809,284)	(2,247,463)	(1,915,921)
		2,987,784	2,388,165	6,438,369	5,234,667	556,272	442,068	1,102,694	889,630	785,870	613,915	2,070,327	1,688,219	4,329,926	2,969,279	8,234,976	6,681,596
<b>COST OF SALES</b>																	
Third parties		(2,094,331)	(1,412,126)	(4,564,102)	(3,181,650)	(322,303)	(284,226)	(704,801)	(621,008)	(572,727)	(499,526)	(1,416,805)	(1,070,345)	(2,899,361)	(2,105,878)	(6,685,708)	(4,873,003)
Inter division cost		(455,112)	(359,719)	(957,039)	(750,026)	-	-	-	-	(130,925)	(115,150)	(419,375)	(380,894)	(586,037)	-	-	-
<b>GROSS PROFIT</b>		(2,549,443)	(1,771,845)	(5,521,141)	(3,931,676)	(322,303)	(284,226)	(704,801)	(621,008)	(703,652)	(524,676)	(1,836,180)	(1,451,229)	(3,575,996)	(2,105,878)	(6,685,708)	(4,873,003)
		438,341	616,320	917,228	1,302,991	233,969	157,842	397,893	288,622	82,218	89,239	234,147	236,980	754,528	863,401	1,549,268	1,808,593
Selling and distribution expenses		(164,719)	(121,975)	(350,251)	(281,224)	(2,289)	(1,875)	(3,991)	(3,914)	(150,756)	(121,717)	(325,551)	(239,654)	(317,764)	(245,567)	(679,793)	(524,892)
Administrative expenses		(109,455)	(88,988)	(205,299)	(164,884)	(13,236)	(12,369)	(27,102)	(22,128)	(37,132)	(36,111)	(74,278)	(62,408)	(159,823)	(137,468)	(306,679)	(249,020)
Other expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(43,066)	(85,532)
Other income		10,329	6,605	21,108	14,823	3,143	1,977	4,754	3,191	1,426	1,079	3,457	3,037	14,898	9,661	29,319	21,051
<b>Operating profit</b>		174,496	411,962	382,786	872,066	221,897	145,575	371,554	245,771	(104,244)	(67,510)	(162,225)	(62,045)	274,828	446,961	546,036	972,180
Finance costs		(2,846)	(4,055)	(3,354)	(10,085)	(25)	(54)	(48)	(106)	(702)	(645)	(1,356)	(1,305)	(3,575)	(4,754)	(4,758)	(11,496)
Finance income		30,953	25,199	65,327	49,867	1,640	716	2,979	768	4,758	2,464	10,253	5,927	123,459	74,273	224,236	153,759
<b>Net finance income / (cost)</b>		28,105	21,144	61,973	39,782	1,615	662	2,931	662	4,056	1,819	8,877	4,622	119,884	69,519	219,478	142,263
<b>Profit/(loss) before tax</b>		202,601	433,106	444,759	911,788	223,202	146,237	374,485	246,433	(100,188)	(65,691)	(153,349)	(57,423)	394,712	516,480	765,514	1,114,443

Note

13.4

# Murree Brewery Company Limited

*Notes to the condensed interim financial information (Unaudited)*

*For the Six months ended 31 December 2022*

	Note	Six months ended				
		Liquor (Rs '000)	Glass (Rs '000)	Tops (Rs '000)	(Unaudited) 31-Dec-22 (Rs '000)	(Unaudited) 31-Dec-21 (Rs '000)
<b>13.4 Cost of sales</b>						
Raw material consumed	13.5	4,839,658	351,042	2,316,270	7,506,970	4,918,626
Stores and spares consumed		49,226	62,005	28,517	139,748	117,979
Fuel and power consumed		348,292	223,033	61,954	633,279	410,009
Salaries and wages		224,287	74,015	99,332	397,634	339,810
Repair and maintenance		34,245	34,285	24,656	93,186	60,219
Depreciation		68,713	58,785	50,362	177,860	177,962
Cost to fulfill a contract - transportation		155,253	-	30,701	185,954	167,250
Other manufacturing overheads		32,217	15,967	84,161	132,345	65,838
		5,751,891	819,132	2,695,953	9,266,976	6,257,693
<b>Work in process:</b>						
Work in process - opening		311,921	3,230	47,970	363,121	298,856
Work in process - closing		(382,801)	(3,230)	(128,165)	(514,196)	(355,044)
		(70,880)	-	(80,195)	(151,075)	(56,188)
<b>Cost of goods manufactured</b>		5,681,011	819,132	2,615,758	9,115,901	6,201,505
<b>Finished goods:</b>						
Finished goods - opening		76,276	17,503	114,737	208,516	214,131
Finished goods - closing		(236,146)	(131,835)	(183,451)	(551,432)	(411,713)
		(159,870)	(114,332)	(68,714)	(342,916)	(197,582)
Less: Inter division cost		(957,039)	-	(1,130,238)	(2,087,277)	(1,130,920)
		4,564,102	704,800	1,416,806	6,685,708	4,873,003
<b>13.5 Raw material consumed</b>						
Opening inventory		1,156,087	31,969	419,504	1,607,560	1,217,177
Purchases		5,504,342	362,047	2,491,095	8,357,484	5,492,347
		6,660,429	394,016	2,910,599	9,965,044	6,709,524
Less : Closing inventory		(1,820,771)	(42,974)	(594,329)	(2,458,074)	(1,790,898)
		4,839,658	351,042	2,316,270	7,506,970	4,918,626

# Murree Brewery Company Limited

*Notes to the condensed interim financial information (Unaudited)*

*For the Six months ended 31 December 2022*

## 14 TRANSACTION WITH RELATED PARTIES

Related parties comprise of directors, entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, staff retirement funds and key management personnel. The transactions and balances as of this reporting date with the related parties are disclosed as follows:

Name of related party	Nature of relationship	Percentage of share holding	Nature of transaction during the year	Six months ended 31 December	
				(Unaudited)	(Unaudited)
				2022 (Rs.'000)	2021 (Rs.'000)
1) D.P. Edulji & Company (Private) Ltd	Associated Company on account of common directorship	17.75	Sales commission	95,972	89,934
			Services acquired	9,660	9,060
			Dividend	83,469	62,602
2) Kingsway Fund	Associated Company	23.08	Dividend	81,407	83,167
3) Board of Directors	Directors	20.30	Dividend	56,166	71,600
4) Directors' relatives	Directors' relatives	17.25	Dividend	60,830	59,070
5) Staff retirement plan - Provident fund	Staff retirement funds	Nil	Contribution by the Company	4,984	4,424
6) Staff retirement plan - Pension fund	Staff retirement funds	Nil	Contribution by the Company	3,040	2,669

- 14.1 The aggregate amounts charged for the remuneration including benefits and perquisites to Chief Executive Officer and Executives for the period amounted to Rs 11.33 million and Rs 30.62 million (31 December 2021: Rs. 8.31 million and Rs. 24.32 million) respectively. Further, free furnished accommodation has been provided to the Chief Executive Officer and certain executives. Company maintained vehicles have also been provided to the Chief Executive Officer and certain executives; the carrying values of which amounted to Rs. 51.94 million at the reporting date. (31 December 2021: Rs. 7.69 million).

# Murree Brewery Company Limited

Notes to the condensed interim financial information (Unaudited)

For the Six months ended 31 December 2022

## 15 FINANCIAL INSTRUMENTS

### A FAIR VALUES

#### 15.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Fair value through profit or loss	Carrying amount		Fair value		
		Amortized cost	Financial liabilities at amortized cost	Total	Level 1	Level 2
		(Rs.'000)	(Rs.'000)		Level 3	Total
<b>On-balance sheet financial instruments</b>						
<b>31 December 2022 - Unaudited</b>						
<b>Financial assets measured at fair value</b>						
Shares of listed companies	27	-	-	27	-	27
Mutual funds	811,786	-	-	811,786	811,786	811,786
	811,813	-	-	811,813	811,813	811,813
<b>Financial assets not measured at fair value</b>						
Long term advances	-	11,979	-	11,979	-	-
Long term investments	-	509,943	-	509,943	-	509,943
Long term deposits	44,938	-	-	44,938	-	-
Trade debts	-	14,468	-	14,468	-	-
Advances and other receivables	-	728,663	-	728,663	-	-
Cash and bank balances	-	923,123	-	923,123	-	-
	44,938	2,188,176	-	2,233,114	-	509,943
						509,943
<b>Financial liabilities not measured at fair value</b>						
Long term loan	-	-	-	-	-	-
Lease liabilities	-	-	21,233	21,233	-	-
Trade and other payables	-	-	1,050,148	1,050,148	-	-
Unpaid dividend	-	-	105,770	105,770	-	-
Unclaimed dividend	-	-	32,718	32,718	-	-
	-	-	1,209,869	1,209,869	-	-
						-

# Murree Brewery Company Limited

Notes to the condensed interim financial information (Unaudited)

For the Six months ended 31 December 2022

	Fair value through profit or loss	Carrying amount		Level 1	Level 2	Level 3	Total
		Amortized Cost	Financial liabilities at amortized cost				
			(Rs.'000)				(Rs.'000)
On-balance sheet financial instruments							
30 June 2022 - Audited							
Financial assets measured at fair value							
Mutual funds	1,976,441	-	-	1,976,441	-	-	1,976,441
	1,976,441	-	-	1,976,441	-	-	1,976,441
Financial assets not measured at fair value							
Long term advances	-	12,480	-	-	-	-	-
Long term investments	-	511,459	-	-	415,799	-	415,799
Long term deposits	39,482	-	-	-	-	-	-
Trade debts	-	15,019	-	-	-	-	-
Advances and other receivables	-	15,311	-	-	-	-	-
Cash and bank balances	-	2,509,228	-	-	-	-	-
	39,482	3,063,497	-	-	415,799	-	415,799
Financial liabilities not measured at fair value							
Long term loan	-	-	124,748	-	-	-	-
Lease liabilities	-	-	16,234	-	-	-	-
Trade and other payables	-	-	1,044,249	-	-	-	-
Unpaid dividend	-	-	96,840	-	-	-	-
Unclaimed dividend	-	-	31,818	-	-	-	-
	-	-	1,313,889	-	-	-	-

15.2 It excludes advances to suppliers and prepayments.

15.3 It excludes contract liabilities, withholding tax payable, sales tax payable, excise duty payable, export duty payable on PMFL and beer, unearned income, Worker's Welfare Fund (WWF) and Zila tax payable.

15.4 The Company has not disclosed the fair values for these financial assets and financial liabilities because their carrying amounts are a reasonable approximation of fair value.

15.5 There is no change in valuation techniques at the reporting date, for details note 44.5.1 of the annual financial statements for the year ended 30 June 2022 is to be referred.



**Murree Brewery Company Limited**  
*Notes to the condensed interim financial information (Unaudited)*  
*For the Six months ended 31 December 2022*

**16 DATE OF APPROVAL**

These condensed interim financial statements was approved by the Board of Directors of the Company in their meeting held on 24<sup>th</sup> February 2023.

**17 NON ADJUSTING EVENTS AFTER REPORTING DATE**

- 17.1** The Board of Directors in their meeting held on 24<sup>th</sup> February 2023, has declared an interim cash dividend @ Nil (i.e. Rs Nil per share) for the year ending 30 June 2023.

**18 GENERAL**

Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

  
\_\_\_\_\_  
CHIEF FINANCIAL OFFICER

  
\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

  
\_\_\_\_\_  
DIRECTOR

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